

May 10, 2019

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051
BSE Scrip Code : 532395

The Manager
Dptt. of Corporate Services
BSE Limited
Floor 25 Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400 051
NSE Symbol: AXISCADES

Dear Sir,

Sub.: Analyst and Investor Event - Presentation

Please find attached the presentation for the Analyst and Investor Event to be held on May 13, 2019.

This presentation is the information for shareholders on Q4 & FY 2019 results of the Company.

Kindly upload presentation to the terminals.

Yours truly,
For **AXISCADES Engineering Technologies Limited**



Shweta Agrawal
Company Secretary



Q4 & FY19 RESULTS

AXISCADES Engineering Technologies Limited

CIN NO : L72200KA1990PLC084435

Certain statements in this communication may be considered as ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company’s operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

AXISCADES Engineering Technologies Limited (ACETL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Company Overview

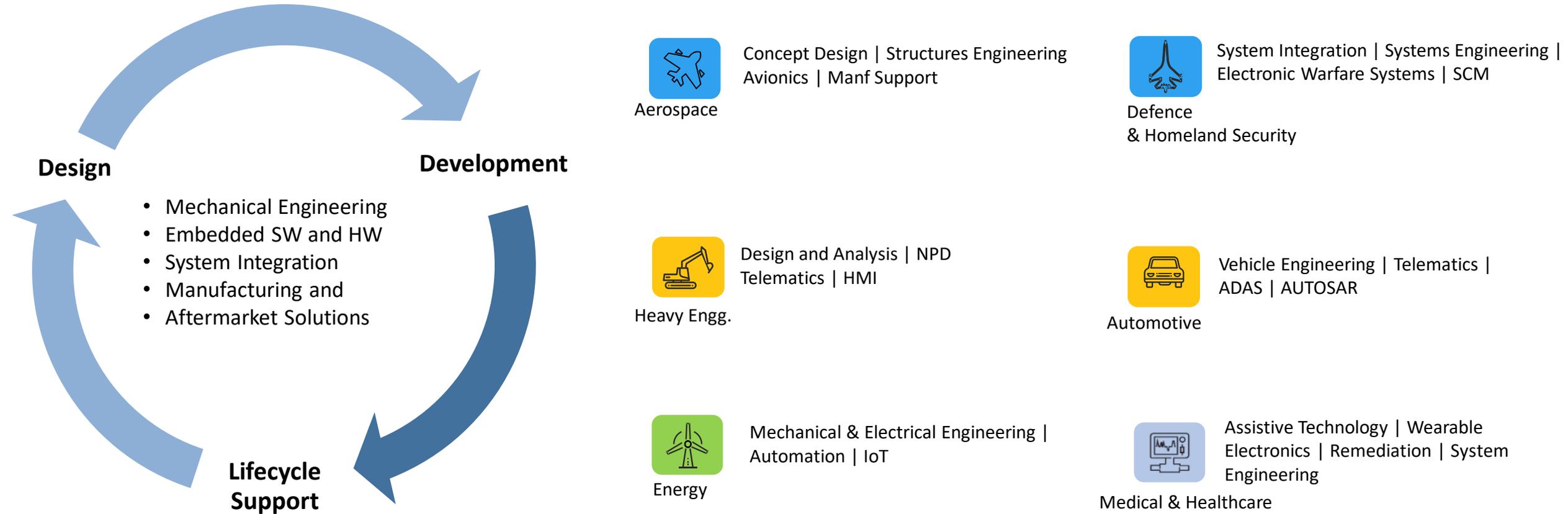
Key Highlights

Consolidated Financials

Revenue Segmentation

Annexures

AXISCADES is a leading Technology & Engineering Solutions company engaged in DeepTech, Automation & Design Engineering for Global Aerospace & Automobile Giants building strong domain expertise



Strategic partner to global OEMs for innovative, sustainable, safer & smarter products.

FY19

- ❑ Added 3 new large Fortune 500 clients
- ❑ Won 2 key contracts worth US\$ 20 Mn. including entry into full System Development and Maintenance of Strategic Systems
- ❑ Joined Siemens' MindSphere partner ecosystem to deliver IIoT services for Aerospace, Automotive and Industrial clients
- ❑ Signed a multiyear Contract with a large German based wind energy company
- ❑ New facility opened in Pune
- ❑ Established expertise across all RF band Solutions
- ❑ Holding 46 design wins, with a potential to generate INR 500 Crs revenue over next 5 years
- ❑ Established Industry 4.0 practice to offer enhanced service to existing Clients
- ❑ Built POCs in digital engineering resulting in a pipeline of USD 4 Mn

Financial Highlights – Q4 & FY19

Q4 FY19

- ❑ **Consolidated Total Income at INR 1,673 Mn vs. INR 1,608 Mn in Q3 FY19, higher by 4% QoQ**
 - Revenue from operations stood at INR 1,624 Mn, higher by 9.4% YoY
- ❑ The adjusted Operating Income for the quarter is 11.4% as against 9.3 % in the immediate previous quarter
- ❑ PAT after minority interest in Q4 FY 19 is INR 7 Mn

FY19

- ❑ In FY19, consolidated revenue from operations grew by 17% in INR terms
- ❑ Increase in Consolidated Total Income by 15.5% to INR 6168 Mn
- ❑ Operating income before one-time charges increased to INR 468 Mn as against INR 419 Mn in the previous year
- ❑ Excluding the one-offs items PAT for the year is INR 181 Mn
- ❑ Order Book TCV of over INR 7000 Mn
- ❑ Strong growth in Cash flow from operations

Consolidated Financials

Consolidated Financial Performance – Q4 FY19

	Q4 FY19	Q3 FY19	Q4 FY18	Explanatory Notes
Revenue from operations (\$ Million)	\$ 23.1	\$ 22.3	\$ 23.1	
In Million Rs				
Revenue from operations	1,624	1,599	1,485	<input type="checkbox"/> 27.5% growth in adjusted Operating Income q-o-q
Other Income	49	9	84	
Total Income	1,673	1,608	1,569	<input type="checkbox"/> 10x growth in Operating Income y-o-y
Employee Expenses	907	918	828	
Direct Expenses	276	238	259	
Project consultancy Charges	48	59	67	
Other expenses	308	270	402	<input type="checkbox"/> Profitable quarter after 4 quarters of losses.
Operating Income before one-time charges	190	149	99	
One-time charges ¹	56	26	86	
Operating Income	134	123	13	
PBT	2	14	(93)	
PAT (Before Minority Interest)	8	(6)	(125)	
PAT (After Minority Interest)	7	(7)	(126)	
Basic EPS	0.18	(0.19)	(3.33)	
Operating Income %	8.0%	7.6%	0.8%	
PBT %	0.1%	0.8%	-6.0%	
PAT % (After Minority Interest)	0.5%	-0.4%	-8.0%	

¹One-time charges include provision for receivables, POC Inventory, loss on restatement of forex borrowings and separation cost

Consolidated Financial Performance – FY19

	FY19	FY18 ²
Revenue from operations (\$ Million)	\$ 87.1	\$ 79.9
In Million Rs		
Revenue from operations	6,077	5,192
Other Income	90	151
Total Income	6,168	5,342
Employee Expenses	3,501	2,837
Direct Expenses	945	549
Project consultancy Charges	247	546
Other expenses	1,265	1,085
Operating Income before one-time charges	468	419
One-time charges ¹	258	93
Operating Income	210	327
PBT	(229)	2
PAT (Before Minority Interest)	(77)	(78)
PAT (After Minority Interest)	(78)	(79)
Basic EPS	(2.15)	(2.18)
Operating Income %	3.4%	6.1%
PBT %	-3.7%	0.0%
PAT % (After Minority Interest)	-1.2%	-1.5%

Explanatory Notes
<input type="checkbox"/> In FY19, consolidated revenue from operations grew by 17% in INR terms.
<input type="checkbox"/> Increase in Consolidated Total Income by 15.5% to INR 6168 Mn
<input type="checkbox"/> Operating income before one-time charges increased to INR 468 Mn as against INR 419 Mn in the previous year. Majority of which are non cash charges.
<input type="checkbox"/> Excluding the one-offs items PAT for the year is INR 181 Mn

¹One-time charges include provision for receivables, POC Inventory, loss on restatement of forex borrowings and separation cost

²FY18 performance includes the performance of Mistral Solutions Private Limited for 4 months, (Dec'17 to Mar'18) hence prior period numbers are not strictly comparable.

P&L Highlights – Consistent improvement in Margins

Key ratios (%)	Q4 FY19	Q3 FY19	Q2 FY19	Q1 FY19	FY19	FY18
Total Income (Rs. Mn.)	1,673	1,608	1,639	1,248	6,168	5,342
Gross margin	29.6%	27.4%	25.9%	18.5%	26.0%*	30.0%
Selling expenses	6.0%	7.0%	7.5%	8.4%	7.0%	7.8%
G&A expenses	14.1%	11.6%	13.6%	12.3%	13.3%	14.5%
Provision for Debtors	1.4%	1.1%	7.9%	-2.4%	2.3%	1.6%
EBITDA Margins	8.0%	7.6%	-3.1%	0.2%	3.4%	6.1%
EPS (Rs.) Basic	0.18	-0.19	-0.01	-2.13	-2.15	-2.18
EPS (Rs.) Diluted	0.18	-0.19	-0.01	-2.13	-2.15	-2.18

Notes :

FY18 performance includes the performance of Mistral Solutions Private Limited for 4 months, (Dec'17 to Mar'18) hence prior period ratios are not strictly comparable.

Gross Margin = Total Income Less : Employee cost involved in delivery, Less Project travel, Less Software licenses Less Facilities cost

* Lower Gross margins in FY19 as compared to FY18 is attributed to completion of one large contract and change in revenue mix in Strategic Technology business

Revenue - Distributed across Segments

Revenue By Vertical (%)	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
Engineering design services	72.5%	83.7%	67.0%	78.4%	79.4%
Strategic technology solutions	27.5%	16.3%	33.0%	21.6%	20.6%

Revenue By Industry (%)	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
Aerospace	32.3%	33.9%	30.2%	31.5%	34.0%
Heavy Engineering & Others *	34.9%	44.3%	30.6%	41.5%	35.3%
Automotive and Industrial Products	3.5%	3.6%	2.7%	3.4%	3.5%
Energy	2.2%	2.0%	3.5%	2.3%	6.5%
Product and Solutions	27.1%	16.2%	33.1%	21.3%	20.8%

Highlights :

Revenue share from Product and Solutions has increased in Q4 FY19 as compared to Q3 FY19 which is a higher margin segment

- * Others includes Medical & Semiconductors. Mistral Solutions revenue has been segregated into Heavy Engineering and Strategic Tech Solutions
 Note : FY18 performance includes the performance of Mistral Solutions Private Limited for 4 months, (Dec'17 to Mar'18) hence prior period ratios are not strictly comparable.
 Segmentation has been realigned and regrouped as applicable

Revenue Segmentation

Revenue by Delivery Location	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
Onshore	41.6%	43.7%	35.6%	43.1%	46.8%
Offshore	58.4%	56.3%	64.4%	56.9%	53.2%

Revenue by Currency	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
USD	63.2%	73.1%	58.8%	67.1%	65.7%
INR	20.1%	13.5%	23.5%	16.6%	12.9%
EUR	8.6%	5.1%	8.5%	7.4%	12.6%
CAD	5.0%	5.1%	5.6%	5.3%	5.6%
GBP	2.3%	2.6%	3.2%	3.0%	3.0%
Others	0.8%	0.6%	0.4%	0.5%	0.2%

Segmentation has been realigned and regrouped as applicable

Note : FY18 performance includes the performance of Mistral Solutions Private Limited for 4 months, (Dec'17 to Mar'18) hence prior period ratios are not strictly comparable.

Revenue Segmentation

Revenue by Geography	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
EUROPE	35.6%	34.4%	34.8%	34.4%	42.7%
USA	34.5%	38.5%	31.7%	37.5%	34.4%
APAC	24.9%	20.5%	28.0%	22.3%	17.3%
CANADA	5.0%	6.6%	5.6%	5.8%	5.6%

Revenue by Project type	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
Time and Material	45.6%	47.1%	45.1%	48.6%	48.8%
Fixed Price	54.4%	52.9%	54.9%	51.4%	51.2%

Highlights :

Shift in concentration from Europe to US geography, gaining strong foothold on fast growing Engineering service market

Segmentation has been realigned and regrouped as applicable.

Note : FY18 performance includes the performance of Mistral Solutions Private Limited for 4 months, (Dec'17 to Mar'18) hence prior period ratios are not strictly comparable.

Consolidated Balance Sheet Snapshot

Particulars	31-Mar-19	31-Mar-18
	(INR Mn)	(INR Mn)
Net Worth	2847	2917
Total debt	1315	1378
- Long term loan	490	726
- Short term loan	825	652
Trade payables	353	500
Fixed assets (Net of Depreciation)	3391	3437
Capital work-in-progress	1	5
Cash and cash equivalents	583	619
Investments	2022	625
Trade receivables	1,529	1,659

Highlights :

Accounts Receivables has reduced despite increase in Revenue from operations by 17% helping improving the working capital cycle

Annexures

About AXISCADES Engineering Technologies Ltd.

AXISCADES is India's leading product engineering solutions company catering to the futuristic needs of aerospace, defence, heavy engineering, automotive, energy, medical & healthcare sectors. Its proven technology products and services, coupled with industry best practices, enable global OEMs to create innovative, sustainable, safer and smarter products.

The company has more than 2,300 engineers worldwide, offers solutions in mechanical engineering, embedded software and hardware, system integration, manufacturing and aftermarket solutions across domains addressing every stage of product lifecycle development. Headquartered in Bengaluru, AXISCADES has 14 engineering centers worldwide including North America, Europe and Asia.

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Abbreviation and Key Terms

Key Terms	Explanation
Operating Margin	Earning before Interest and taxes is calculated from Financial statement as per Regulation 33 of the Listing Regulations.
Total Income	Revenue is Total Income from operations as mentioned in Financial statement as per Regulation 33 of the Listing Regulations.
Gross Margin	Revenue less salary and staff welfare cost of direct engineers and any other project delivery expenses (includes travel, hardware and software).
G&A Expenses	General and Administrative expenses, not directly attributable to delivery and sales.
PBT	Profit before Tax
PAT, Net Profit	Profit after Taxes and Minority Interest
EPS	Earning Per share
Net Worth	Share holders Fund
Capital Employed	Share holders Fund plus long term loans